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Taiwan

Grain and Feed

The Results of the 6th Rice Tender 2003

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Report Highlights:

On August 26th, the 6th public rice tender of 2003 was awarded. The tender for 11,000 tons of medium grain brown was awarded to a U.S. supplier at NT\$16,669/mt (\$487/mt) and the 2,000 ton tender for long grain brown was awarded to a Thai supplier at NT\$16,616/mt or \$485/mt. This is the first successful tender for long grain rice. In previous tenders, samples did not meet Taiwan's technical specifications. The 7th public rice tender, for 20,000 tons, is expected in early September.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Taipei [TW1]
[TW]

The 6th Rice Tender Succeeds on the First Bid

Contrary to recent practice of tenders failing due to the ceiling price (see TW3028), the 6th rice tender for 11,000 metric ton of medium grain brown and 2,000 metric ton of long grain brown was completed on August 26 on the first bid. The 11,000-ton medium grain tender was awarded to a U.S. supplier at NT\$16,668.8/mt or \$487/mt and 2,000 ton tender for long grain went to a Thai supplier at \$16,616/mt or \$485/mt. While Egyptian rice was tendered for the medium grain tender, the sample did not meet technical specifications due to kernel length. Two U.S. and one Australian suppliers did meet the technical specifications for medium grain, but the bid document of one U.S. supplier did not meet requirements. One of three Thai suppliers met the technical spec's for long grain, while another's bid document did not meet requirements. Post understands that the third Thai supplier failed due to detection of a foreign odor.

To date, Taiwan has tendered for 54,000 metric tons of the public rice quota, accounting for 57% of the total of 94,068 tons. U.S. rice has accounted for 50,000 metric tons or a 93% share, all for medium grain brown. Egypt supplied 2,000 metric ton of short grain and Thailand supplied 2,000 metric ton of long grain. The 7th and 8th tenders for the remaining 40,068 metric tons of the public rice quota are likely to be completed by October 1. Please note that, according to the 2nd Office of the Council of Agriculture (COA 2nd Office), the current tender delivery term will be adjusted from 115 days to delivery by December 31, 2003. It is likely that Taiwan will tender for small amount of other size grains than medium grain brown in the following 7th and 8th rice tenders. The 7th tender is expected in early September for 20,000 metric ton of brown rice.

(Exchange rate: \$1 = NT\$34.18, quoted 08/26/2003)